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| IN THE THIRD DISTRICT COURT SALT LAKE DEPARTMENT SALT LAKE COUNTY, STATE OF UTAH | |
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| STATE OF UTAH, Plaintiff, vs. PAUL D. PETERSEN DOB: 08/16/1975 LKA 634 N. MIRAMAR MESA, AZ 85213 Defendant. | INFORMATION (Service: Arrest Warrant - \$100,000 Bail) AG Report 2018-054 Case No. 19-1160 191910049 Judge: Linda Jones |

The undersigned, Special Agent M. Spilker, of the Utah Attorney General's Office, states upon information and belief that the defendant, PAUL D. PETERSEN committed the following criminal offenses:

COUNT 1: PATTERN OF UNLAWFUL ACTIVITY, Utah Code Ann. Section 76-10-1601 through 1603, a Second Degree Felony, as follows: On or about August 1, 2016 continuing through August 2, 2019, in Salt Lake County, State of Utah and elsewhere, defendant, **PAUL D. PETERSEN**:

- (1) Did receive proceeds derived, whether directly or indirectly, from a pattern of unlawful activity in which he participated as a principal, and did use or invest, directly or indirectly, any part of that income, or the proceeds of the income, or the proceeds derived from the investment or use of those proceeds, in the acquisition of any interest in, or the establishment or operation of, any enterprise;
- (2) Through a pattern of unlawful activity, did acquire or maintain, directly or indirectly, any interest in or control of any enterprise;
- (3) While employed by or associated with any enterprise, did conduct or participate, whether directly or indirectly, in the conduct of that enterprise's affairs through a pattern of unlawful activity; or
- (4) Did conspire to violate any of the above provisions;

and the unlawful activity included three or more violations, whether charged or uncharged, of Human Smuggling, U.C.A. 76-5-308; Communications Fraud, U.C.A. 76-10-1801; and Sale of a Child, U.C.A. 76-7-203(2)(b); which episodes were not isolated, but were similar in purpose, results, participants, victims, or methods of commission, or otherwise were interrelated by distinguishing characteristics, to wit:

The defendant operated a business enterprise in which he transported or procured the transportation of pregnant Marshallese women from the Marshall Islands to Utah for the purpose of adoption. The defendant housed the pregnant women in residences he owned or leased in Utah. The defendant's purpose in transporting the Marshallese women to Utah for adoption was commercial. The defendant collected proceeds from each adoption in the form of fees paid to him by the adoptive parents.

The defendant, a licensed attorney in Arizona specializing in Marshallese adoptions, knew or should have known the Marshallese women were not lawfully entitled to be in the Utah for the purpose of adoption. Under the Compact of Free Association between the Marshall Islands and the United States (hereinafter "COFA"), a person coming to the United States "for the purpose of adoption . . . is ineligible for admission." The women did not have immigrant visas or other authorization to come to the United States outside of the COFA.

In total, the defendant transported or procured the transportation of over 40 Marshallese women to Utah for the purpose of adoption between August 1, 2016 and August 2, 2019.

The defendant, through his associates, offered \$10,000 to each of the Marshallese women in order to induce them to place their children for adoption in the Utah.

The defendant also misrepresented or failed to disclose material information about his adoption process to the adoptive parents from whom he obtained adoption fees.

COUNT 2: HUMAN SMUGGLING (Birth Mother S.Y.) Utah Code Ann. Section 76-5-308(3), a Third Degree Felony, as follows: On or about and between March 29, 2017, and August 31, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did commit human smuggling by transporting or procuring the transportation of a person for a commercial purpose, knowing or having reason to know that the person to be transported was not: (a) a citizen of the United States; (b) a permanent resident alien; or (c) otherwise lawfully in this state or entitled to be in this state.

COUNT 3: HUMAN SMUGGLING (Birth Mother S.B.) Utah Code Ann. Section 76-5-308(3), a Third Degree Felony, as follows: That or about and between December 1, 2017 and March 14, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did commit human smuggling by transporting or procuring the transportation of a person for a commercial purpose, knowing or having reason to know that the person transported or to be transported was not: (a) a citizen of the United States; (b) a permanent resident aliens; or (c) otherwise lawfully in this state or entitled to be in this state.

COUNT 4: HUMAN SMUGGLING (Birth Mother T.A.) Utah Code Ann. Section 76-5-308(3), a Third Degree Felony, as follows: That or about and between February 2, 2018 and April 30, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did commit human smuggling by transporting or procuring the transportation of a person for a commercial purpose, knowing or having reason to know that the person transported or to be transported was not: (a) a citizen of the United States; (b) a permanent resident alien; or (c) otherwise lawfully in this state or entitled to be in this state.

COUNT 5: HUMAN SMUGGLING (Birth Mother L.M.) Utah Code Ann. Section 76-5-308(3), a Third Degree Felony, as follows: That or about and between June 25, 2018 and November 19, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did commit human smuggling by transporting or procuring the transportation of a person for a commercial purpose, knowing or having reason to know that the person transported or to be transported was not: (a) a citizen of the United States; (b) a permanent resident alien; or (c) otherwise lawfully in this state or entitled to be in this state.

COUNT 6: COMMUNICATION FRAUD (Adoptive Parents R.C. and D.C.) Utah Code Ann. Section 76-10-1801(1), a Second Degree Felony, as follows: That on or about and between March 1, 2017 and October 29, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did commit communications fraud by devising a scheme or

artifice to defraud another or to obtain from another money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and did communicate directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice; and the value of the property, money, or thing obtained or sought to be obtained exceeded \$5,000; to wit: \$24,000 in adoption payments.

COUNT 7: COMMUNICATIONS FRAUD (Adoptive Parents I.Q. and K.Q.) Utah Code Ann. Section 76-10-1801(1), a Second Degree Felony, as follows: That on or about and between January 1, 2017 and April 6, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did commit communications fraud by devising a scheme or artifice to defraud another or to obtain from another money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and did communicate directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice; and the value of the property, money, or thing obtained or sought to be obtained exceeded \$5,000; to wit: \$41,000 in adoption payments.

COUNT 8: COMMUNICATIONS FRAUD (Adoptive Parents R.G. and A.G.) Utah Code Ann. Section 76-10-1801(1), a Second Degree Felony, as follows: That on or about and between August 1, 2018 and December 4, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did commit communications fraud by devising a scheme or artifice to defraud another or to obtain from another money, property, or anything of value by means of false or fraudulent pretenses, representations, promises, or material omissions, and did communicate directly or indirectly with any person by any means for the purpose of executing or concealing the scheme or artifice; and the value of the property, money, or thing obtained or sought to be obtained exceeded \$5,000; to wit: \$35,000 in adoption payments.

COUNT 9: SALE OF A CHILD (Birth Mother T.A.) Utah Code. Ann. Section 76-7-203(2)(b), a Third Degree Felony, as follows: That on or about and between January 1, 2018, and April 30, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did offer, give, or attempt to give money or another thing of value to a person, with the intent to induce or encourage a person to violate U.C.A. 76-7-203(2)(a) by placing a child for adoption, for and in consideration of the payment of money or another thing of value.

COUNT 10: SALE OF A CHILD (Birth Mother S.Y.) Utah Code. Ann. Section 76-7-203(2)(b), a Third Degree Felony, as follows: That on or about and between March 1, 2017, and August 31, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did offer, give, or attempt to give money or another thing of value to a person, with the intent to induce or encourage a person to violate U.C.A. 76-7-203(2)(a) by placing a child for adoption, for and in consideration of the payment of money or another thing of value.

COUNT 11: SALE OF A CHILD (Birth Mother L.M.) Utah Code. Ann. Section 76-7-203(2)(b), a Third Degree Felony, as follows: That on or about and between June 1, 2018, and November 19, 2018, in Salt Lake County, State of Utah and elsewhere, the defendant, **PAUL D. PETERSEN**, did offer, give, or attempt to give money or another thing of value to a person,

with the intent to induce or encourage a person to violate U.C.A. 76-7-203(2)(a) by placing a child for adoption, for and in consideration of the payment of money or another thing of value.

THIS INFORMATION IS BASED ON EVIDENCE OBTAINED FROM THE FOLLOWING WITNESSES: M. Spilker, S.Y., L.M, R.C., D.C., K.Q., I.Q., R.G., A.G., and other witnesses and records as described below.

DECLARATION OF PROBABLE CAUSE:

I am a Certified Peace Officer in the State of Utah with 29 years of experience currently working for the Utah Attorney General's Office as an investigator. The information herein comes from a larger investigation recounted in my report, AG 2018-054, and other reports and witness statements as indicated below.

PATTERN OF UNLAWFUL ACTIVITY:

In October 2017, I received a tip from the Utah Attorney General's Human Trafficking tip line describing a possible illegal adoption involving a Marshallese woman at LDS Hospital in Salt Lake City, Utah.

I began investigating Marshallese adoptions at Utah hospitals. I interviewed hospital staff at several Utah hospitals along the Wasatch Front. Hospital staff noticed an influx of Marshallese women giving birth at Utah hospitals and giving their babies up for adoption. The Marshallese women all reported the same address in West Valley City (hereinafter "Florita Avenue home") as their residence. The Marshallese women were accompanied by a woman named Hemrilla Saimon (hereinafter "Saimon"), who reported living at the same address. The Marshallese women had adoption paperwork referencing an attorney named Paul D. Petersen (Arizona State Bar No. 021973), who appeared to be facilitating the adoptions. Hospital staff communicated with Megan Wolfe about matters of billing and other concerns. Megan Wolfe is a paralegal for Petersen.

On February 3, 2018, I received a report from the University of Utah police department about a suspicious birth at their hospital. A pregnant Marshallese woman (S.B.) arrived at the hospital and provided adoption paperwork from the law office of Paul D. Petersen for a planned adoption. A social worker for the hospital interviewed S.B. about her adoption. S.B. told the social worker she did not know the names of the parents she was giving her baby to and "had nothing to do with the adoption paperwork." S.B. said someone was paying her money for the adoption but she did not know who was paying. The woman directed the social worker to speak with Hemrilla Saimon.

The social worker then spoke to Saimon over the phone. Saimon said she works for an attorney. Saimon said she goes to the Marshall Islands to "find pregnant women to adopt their

babies out.” Saimon said she gets her housing and bills paid for. Saimon said she lived at the Florita Avenue home.

Over the next several months, I investigated adoptions of babies born to Marshallese women along the Wasatch Front that appeared to conform to the same pattern. After subpoenaing records from local hospitals, I identified over 40 Marshallese women who traveled from the Marshall Islands to Utah, gave birth, and placed their babies up for adoption between December of 2016 and August of 2019. In paperwork sent to the hospitals, Paul D. Petersen represented himself as a “facilitator” of these adoptions.

I also observed in the medical records comments and notes indicating the Marshallese women had little to no prenatal care prior to being admitted to the hospital for labor and delivery. One medical professional I interviewed described these pregnancies as “high risk” because the hospitals had no information about the Marshallese women’s medical history and they did not receive prenatal care.

I surveilled the Florita Avenue home several times between February of 2018 and March of 2019. Each time, I confirmed that there were several women who appeared to be Marshallese and pregnant living at the home, as well as Saimon. I also observed Saimon transport one of the pregnant women to Pioneer Valley Hospital.

I performed various records checks on the Florita Avenue home. I confirmed that Paul D. Petersen owned the residence and that utility bills were paid out of Petersen accounts. One of Petersen’s utility accounts was titled “Utah-Marshallese.”

I also obtained copies of letters from Paul D. Petersen to adoptive parents laying out the financial aspects of the adoption. In a Memorandum of Understanding sent to one adoptive family, Petersen stated the fee to the adoptive parents was \$35,000, with \$25,000 paid up front and \$10,000 after delivery of the baby. I subpoenaed bank records for the account Petersen gave the adoptive families for wire transfers. Between December, 2016 and September, 2018, approximately \$2,720,560.00 went into the account, with most transfers including notes indicating they were payments for adoptions.

I obtained a warrant for Saimon’s email account. My review of these emails confirmed that Petersen was financing the transportation of Marshallese women from the Marshall Islands to the United States and into Utah. I found records of plane tickets, paid for by a credit card belonging to Paul D. Petersen, for 28 of the Marshallese women I identified who gave birth in Utah hospitals and placed their babies for adoption. In each case, the flights would bring the Marshallese women to Utah during their pregnancy. In each case, I found a corresponding record showing the baby born to each Marshallese woman was placed for adoption. For ten of these

women, I also located records of return tickets from the United States to the Marshall Islands paid for out of Petersen accounts. The return tickets were for dates a few days to several weeks after the women gave birth.

As part of my investigation, I learned that the Compact of Free Association (“COFA”) between the United States and the Marshall Islands prohibits Marshallese citizens from traveling to the United States for the purpose of adoption. *See* Treaties and Other International Acts 04-501, Section 141(a). I reviewed Marshallese law governing adoptions, codified in the Marshallese Adoptions Act of 2002. Marshallese law also prohibits encouraging or soliciting Marshallese birth parents to travel outside of the country for adoption. *See* 26 MIRC Ch. 8, Section 810. I also contacted officials from the Marshall Islands Attorney General’s Office, who confirmed that recruiting women from their nation for adoptions in the United States violated both Marshallese law and the COFA.

During my investigation, I interviewed seven of the Marshallese women who traveled from the Marshall Islands to Utah to give birth and placed their babies for adoption in adoptions facilitated by Paul D. Petersen. The women all said they contacted or were contacted by an associate of Saimon’s in the Marshall Islands after they learned they were pregnant. They were told they could get \$10,000 in exchange for placing their baby for adoption in the United States. The women were provided with passports and plane tickets paid for by Saimon or an associate. They traveled to the United States and into Utah during their pregnancies.

The Marshallese women said Paul D. Petersen was the “boss” of the adoption agency and owned the Florita Avenue home. The women met Petersen when he visited the house and could identify him by photograph.

During my investigation, I interviewed several couples who adopted children from Marshallese women through adoptions facilitated by Paul D. Petersen. The adoptive couples I spoke to said Petersen misled them about aspects of his adoption process, including the volume of adoptions Petersen was involved with, the amount of prenatal care the Marshallese women received, the fact that the Marshallese women were offered payment to induce their participation in the adoptions, and the fact that Petersen facilitated the transportation of the Marshallese women into the United States. The adoptive couples said Petersen never informed them about the COFA or Marshallese law prohibiting transportation of Marshallese women to the United States for the purpose of adoption. The parents I spoke to said this information would have affected their decision about whether to go forward with adoption facilitated by Petersen.

HUMAN SMUGGLING:

I reviewed information from the Department of Homeland Security and compared it with the with e-mails, plane tickets, financial records, hospital records, and court records described above. I confirmed that Petersen purchased plane tickets for S.Y., S.B., T.A., L.M., and many other Marshallese women to travel to the United States during their pregnancies. The Marshallese women arrived in Utah between several months to just four days before giving birth at Utah hospitals. The Marshallese women listed their residence as the Florita Avenue home, owned by Petersen. The Marshallese women gave their babies for adoption in adoptions facilitated by Petersen. Bank records from Petersen's accounts show he received payments between \$25,000 and \$41,000 for facilitating these adoptions from the parents who adopted the babies born to the Marshallese women.

I also interviewed S.Y., T.A., and L.M. about their adoptions. They confirmed they were recruited from the Marshall Islands to travel to Utah to give their babies for adoption. They confirmed Petersen managed the adoption process and identified Petersen by photograph. They confirmed they came to the United States for the purpose of adoption.

I also interviewed the parents who adopted babies from S.Y., T.A., and L.M. They confirmed Paul D. Petersen facilitated the adoptions and that they paid Petersen fees between \$25,000 and \$41,000 in exchange for his services.

COMMUNICATIONS FRAUD

ADOPTIVE PARENTS R.C. AND D.C.:

During my interview with R.C. and D.C. about their adoption of the baby born to T.A., they stated Paul D. Petersen made several false statements or misrepresentations during the adoption process.

After T.A. delivered the baby, R.C. and D.C. visited her at the Florita Avenue house. They saw 15 or more pregnant women living there. Many appeared to be sleeping on mattresses on a bare floor. R.C. stated she had no idea Petersen was involved with processing adoptions for so many women at a time. R.C. said it seemed like a "baby mill." D.C. said it looked like "human trafficking" and "just did not seem right."

ADOPTIVE PARENTS K.Q. AND I.Q.:

During my interview with K.Q. and I.Q., I asked about their experience adopting the baby born to S.Y. through Paul Petersen. K.Q. and I.Q. said Petersen never informed them about the COFA, Marshallese law, or any issues with the legality of this sort of international adoption. Petersen also never informed K.Q. and I.Q. that he had paid for S.Y. to travel to the United

States during her pregnancy. K.Q. and I.Q. said they would have had serious concerns about going forward with adoption through Petersen if they were given this information.

ADOPTIVE PARENTS: R.G. AND A.G:

During my interview with R.G. and A.G., I asked about their experience adopting the baby born to L.M. through Paul Petersen. R.G. and A.G. also said Petersen lied to them by omitting material information about his adoption process. Petersen never told R.G. or A.G. that L.M. was offered payment for the adoption or that Petersen financed her travel into the United States. Petersen never informed R.G. or A.G. about the adoption restrictions in the COFA or Marshallese law. R.G. and A.G. confirmed they would not have adopted through Petersen if he had informed them of this.

Regarding prenatal care for L.M., R.G. and A.G. said they understood that regular prenatal care would be provided as part of the adoption fees they paid to Petersen. R.G. and A.G. said they also followed up on the prenatal care issue with Megan Wolfe. Wolfe told them Saimon was supposed to take L.M. to her doctor's appointments.

During my interview with L.M., she said she only saw a doctor twice while in Utah. R.G. and A.G. said they knew L.M. went to the hospital twice: once to deliver her baby and once during a false labor late in her pregnancy. I could not find any other evidence suggesting L.M. had received additional medical care during the four months she was in Utah before giving birth.

SALE OF A CHILD


During my interviews of T.A., S.Y., L.M., and four other Marshallese women who had placed their babies for adoption through Petersen, I asked if they were offered anything in exchange for their adoptions. All the Marshallese women I interviewed said they were offered \$10,000 in exchange for their participation in the adoption. All the women said this offer was for \$10,000 in addition to any travel or living expenses. All the Marshallese women I interviewed said this was a significant factor inducing them to participate in the adoption.

The state requests an arrest warrant in lieu of a summons, pursuant to U.C.A. 77-7-5(1) and Utah Rule of Criminal Procedure 6(c). The state requests a higher bail because the defendant presents a risk of flight. The defendant resides in Arizona and has extensive connections to the Marshall Islands. The defendant has traveled internationally during the investigation. The defendant has substantial financial resources. Facing multiple felony charges, it is reasonable to believe the

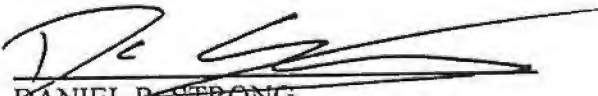
defendant may flee the jurisdiction. Therefore, a warrant is necessary to secure the appearance of the accused.

Pursuant to Utah Code Annotated § 78B-18a-106 (2018), I declare under criminal penalty under the law of Utah that the foregoing is true and correct.

Executed on: October 2, 2019.


SPECIAL AGENT M. SPILKER
Declarant

Authorized for presentment and filing:
SEAN D. REYES, Utah Attorney General


DANIEL R. STRONG
Assistant Attorney General